

Sprott Resource Corp.
2016 Q3 Results Conference Call

November 8, 2016



Forward-Looking Information and Statements

Forward-Looking Information

Certain statements in this presentation contain forward-looking information (collectively referred to herein as the "Forward-Looking Statements") within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "may", "will", "project", "should", "believe", "plans", "intends" and similar expressions are intended to identify Forward-Looking Statements. In particular, but without limiting the forgoing, this presentation contains Forward-Looking Statements pertaining to: (i) continued stabilization and/or improvement of certain commodity sectors; (ii) continued progress in repositioning the business to benefit from a recovery in natural resource sector; (iii) SRC's objective of owning large positions in its investee companies; (iv) expectations regarding the closing of the transaction between InPlay and Anderson, the pro forma continuing business and SRC's holdings of the pro-forma combined business; (v) expected use of proceeds from Corsa's financing; (vi) improving liquidity and reducing the discount to NAV by exiting legacy investments when possible; and (vii) financing and positioning of core portfolio holdings. Although SRC believes that the Forward-Looking Statements are reasonable, they are not guarantees of future results, performance or achievements. A number of factors or assumptions have been used to develop the Forward-Looking Statements, including: (i) energy markets and the price of oil, natural gas liquids and natural gas and other commodities will be higher in the future; (ii) the effects of regulation and tax laws of governmental agencies will not materially change; and (iii) the availability of capital on acceptable terms.

Actual results, performance or achievements could vary materially from those expressed or implied by the Forward-Looking Statements should assumptions underlying the Forward-Looking Statements prove incorrect or should one or more risks or other factors materialize, including: (i) general economic, market and business conditions; (ii) market volatility that would affect the ability to enter or exit investments; (iii) commodity price fluctuations and uncertainties; (iv) risks associated with the portfolio companies' industries; (v) those risks disclosed under the heading "Risk Management" in SRC's MD&A for the quarter ended September 30, 2016; (vi) those risks disclosed under the heading "Major Risks" with respect to each of SRC's key investments in SRC's MD&A for the quarter ended September 30, 2016; and (vii) those risks described under the heading "Risk Factors" in SRC's annual information form dated March 4, 2016. The Forward-Looking Statements speak only as of the date hereof, unless otherwise specifically noted, and SRC does not assume any obligation to publicly update any Forward-Looking Statements, whether as a result of new information, future events or otherwise, except as may be expressly required by applicable Canadian securities laws.

Speakers

Steve Yuzpe

Chief Executive Officer

Michael Staresinic

Chief Financial Officer

Q3 Overview

- Commodities that matter to SRC continue to stabilize with some sectors, such as metallurgical coal, showing significant improvements and others finding a range
- Net Asset Value (“NAV”) at September 30, 2016 of \$106MM (\$1.09 per share)
- SRC continues to make strong progress in repositioning the business and improving liquidity
 - \$43MM generated YTD through monetizations
- Repaid debt facility in full
- Follow-on investments in InPlay Oil and Corsa Coal

Portfolio Company Update: ICD

- Since August, SRC has sold most of its position in Independence Contract Drilling (“ICD”) generating net proceeds of approximately \$28MM and still holds 290 thousand shares
- SRC sold its legacy ICD position in order to pay off its debt facility in full and concentrate on its objective of owning large positions in its investee companies

Portfolio Company Update: InPlay

- In October, SRC invested \$10MM in InPlay Oil Corp. (“InPlay”) as part of their \$70MM private placement, strategic asset acquisition and business combination with Anderson Energy Inc. (“Anderson”)
- Last Friday, shareholders of InPlay Oil and Anderson approved the transaction which is expected to close November 10, 2016
- The pro-forma continuing business will be a well-capitalized, low-debt, high-netback, Cardium focused oil producer
- SRC will own 11% of the pro-forma combined business and continues to hold a board seat

Portfolio Company Update: Corsa Coal

- In October, SRC invested an additional \$1MM in Corsa Coal as part of a \$23MM financing
- Net proceeds of the financing will be primarily used by Corsa Coal for mine development, general corporate and working capital purposes
- SRC now owns 17% of Corsa Coal and continues to hold a board seat

Summary of Quarterly Financial Information

\$ millions (except for per share amounts)	September 30, 2016	December 31, 2015
Total Assets	\$115.3	\$121.6
Total Liabilities	(\$9.6)	(\$14.3)
Net Asset Value (NAV)	\$105.7	\$107.3
NAV per share	\$1.09	\$1.11

Balance Sheet and Liquidity Profile

\$ millions	September 30, 2016	November 7, 2016
Cash and cash equivalents	\$10.2	\$12.0
Working capital ⁽¹⁾	\$10.2	\$11.4
Investment Portfolio ⁽²⁾		
Energy	\$24.7	\$20.7
Agriculture	\$31.1	\$31.1
Mining	\$39.7	\$39.4
	\$95.5	\$91.2
<i>Public company investments of investment portfolio ⁽³⁾</i>	\$53.0	\$39.4

(1) Includes \$1.6 million of ICD investment value at November 7, 2016

(2) Public company values as at November 7, 2016; private company values as at September 30, 2016

(3) Beginning November 10, 2016, InPlay will be a public company investment

Income Statement – Three Months Ended

\$ millions (except for per share amounts)	September 30, 2016	September 30, 2015
Investment gain (loss)	\$12.5	(\$52.8)
Expenses		
General and administrative expenses	0.4	0.6
Management fees and compensation	0.6	0.9
Transaction costs	0.3	-
Finance expense	0.3	0.2
Net income (loss)	\$10.9	(\$54.6)
Basic and diluted earnings (loss) per share	\$0.11	(\$0.56)

Summary

- Continuing to make progress repositioning SRC portfolio to benefit from a recovery in natural resource sector
- Management focused on improving liquidity and reducing discount to NAV by exiting legacy investments when possible
- SRC is now debt free with \$12 million in cash
- Core portfolio holdings well financed and positioned for recovery